

Senate File 452

S-3236

1 Amend the amendment, S-3223, to the House amendment,
2 S-3218, to Senate File 452, as amended, passed, and
3 reprinted by the Senate, as follows:

4 1. Page 61, after line 22 by inserting:

5 <DIVISION

6 EDUCATION SAVINGS GRANTS

7 Sec. _____. Section 256.7, Code 2013, is amended by
8 adding the following new subsection:

9 NEW SUBSECTION. 33. Adopt rules relating to
10 applications for an education savings grant pursuant
11 to section 257.11B, including application processing
12 timelines and information required to be submitted by a
13 parent or guardian.

14 Sec. _____. NEW SECTION. 257.11B Education savings
15 grant program.

16 1. Pupils eligible to enroll in grades kindergarten
17 through twelve and attending a nonpublic school or
18 receiving competent private instruction under chapter
19 299A shall be eligible to receive an education savings
20 grant in the manner provided in this section for school
21 years beginning on or after July 1, 2014. Education
22 savings grants shall be made available to parents and
23 guardians in the manner authorized under subsection 4,
24 paragraph "c", for the payment of qualified education
25 expenses as provided in this section.

26 2. a. (1) By January 31 preceding the school year
27 for which the education savings grant is requested, the
28 parent or guardian of the pupil requesting to receive
29 an education savings grant shall submit an application
30 to the department of education, on application forms
31 developed by the department, indicating that the parent
32 or guardian intends to enroll the pupil in a nonpublic
33 school or provide competent private instruction for the
34 pupil under chapter 299A.

35 (2) In addition to such information deemed
36 appropriate by the department of education, the
37 application shall require certification from the
38 nonpublic school of the pupil's enrollment for the
39 following school year or a statement indicating the
40 parent or guardian's intent to provide or arrange for
41 competent private instruction for the pupil for the
42 following school year.

43 b. By March 1 preceding the school year for
44 which the education savings grant is requested, the
45 department of education shall notify the department
46 of management of the number of pupils in each school
47 district designated for the following school year
48 to receive an education savings grant and the amount
49 of the education savings grant for each pupil. The
50 department of education shall also notify the parent

1 or guardian of such pupils who are approved to receive
2 an education savings grant.

3 c. Education savings grants shall only be approved
4 for one school year and applications must be submitted
5 under paragraph "a" for education savings grants in
6 subsequent school years.

7 3. a. The department of management shall assign
8 each pupil an education savings grant in an amount
9 equal to the statewide average state foundation aid per
10 pupil in the same school year.

11 b. The department of management shall on July
12 1 following the determination of the amount of the
13 education savings grant for each approved pupil
14 transfer such amounts to the pupil's account in
15 the education savings grant fund established under
16 subsection 4. Such amount shall be available to the
17 pupil's parent or guardian in the manner authorized
18 under subsection 4, paragraph "c", for the payment of
19 qualified educational expenses incurred by such persons
20 for the pupil during that school year.

21 4. An education savings grant fund is created in
22 the state treasury under the control of the department
23 of management consisting of moneys appropriated to
24 the department for the purpose of providing education
25 savings grants under this section. For the fiscal
26 year commencing July 1, 2014, and each succeeding
27 fiscal year, there is appropriated from the general
28 fund of the state to the department of management to
29 be credited to the fund the amount necessary to pay
30 all education savings grants approved for that fiscal
31 year. The director of the department of management has
32 all powers necessary to carry out and effectuate the
33 purposes, objectives, and provisions of this section
34 pertaining to the fund, including the power to do all
35 of the following:

36 a. Make and enter into contracts necessary for the
37 administration of the fund.

38 b. Procure insurance against any loss in connection
39 with the assets of the fund or require a surety bond.

40 c. Contract with a private financial management
41 firm to manage the fund, in collaboration with the
42 treasurer of state, including providing for the
43 disbursement of education savings grants in the form
44 of an electronic debit card or checks that are payable
45 directly from the pupil's account within the fund.

46 d. Conduct audits or other review necessary to
47 properly administer the program.

48 e. Adopt rules pursuant to chapter 17A for the
49 administration of the fund and accounts within the
50 fund.

1 5. a. For each pupil approved for an education
2 savings grant, the department shall establish an
3 account for that pupil in the education savings grant
4 fund. The amount of the pupil's education savings
5 grant determined under subsection 3 shall be deposited
6 into the pupil's account on July 1 and such amount
7 shall be immediately available for the payment of
8 qualified education expenses incurred by the parent or
9 guardian for the pupil during that fiscal year using
10 the payment method authorized under subsection 4,
11 paragraph "c".

12 b. A nonpublic school or other entity that accepts
13 payment from a parent or guardian using funds from a
14 pupil's account in the education savings grant fund
15 shall not refund, rebate, or share any portion of such
16 payment with the parent, guardian, or pupil.

17 c. Moneys remaining in a pupil's account upon
18 conclusion of the fiscal year shall remain in the
19 pupil's account within the education savings grant
20 fund for the payment of qualified educational expenses
21 in future fiscal years or for the payment of higher
22 education costs under subsection 8.

23 6. For purposes of this section, "*qualified*
24 *educational expense*" includes tuition and fees at a
25 nonpublic school, textbooks, fees or payments for
26 tutoring or cognitive skills training, curriculum
27 materials, tuition or fees for nonpublic online
28 education programs, education materials and services
29 for pupils with disabilities, standardized test fees,
30 fees required by the department not to exceed for each
31 grant recipient five percent of the total grant amount
32 in any fiscal year, and other expenses incurred by the
33 parent or guardian that are directly related to the
34 education of the pupil at a nonpublic school, including
35 a nonpublic school accredited by an independent
36 accrediting agency approved by the department of
37 education, or directly related to providing competent
38 private instruction for the pupil under chapter 299A.
39 The cost of one computer or other portable computing
40 device shall be allowed as a qualified educational
41 expense for a pupil if such a purchase has not been
42 made using funds from that pupil's account in either of
43 the two immediately preceding fiscal years. "*Qualified*
44 *educational expenses*" do not include transportation
45 costs for the pupil, the cost of food or refreshments
46 consumed by the pupil, the cost of clothing for the
47 pupil, or the cost of disposable materials including
48 but not limited to paper, notebooks, pencils, pens, and
49 art supplies.

50 7. A person who makes a false claim for the purpose

1 of obtaining an education savings grant provided for
2 in this section or who knowingly receives the grant or
3 makes a payment from an account within the education
4 savings grant fund without being legally entitled to it
5 is guilty of a fraudulent practice. The false claim
6 for an education savings grant or a payment from an
7 account shall be disallowed and if amounts from the
8 grant have been disbursed from the applicable account
9 in the education savings grant fund, the department of
10 management shall initiate legal proceedings to recover
11 such amounts. A parent or guardian, or a pupil for
12 purposes of subsection 8, who violates this subsection
13 is prohibited from participating in the education
14 savings grant program in the future.

15 8. For each pupil with a positive balance in the
16 pupil's account in the education savings grant fund
17 upon graduation from high school or completion of an
18 equivalent level of competent private instruction
19 under chapter 299A, the department of management shall
20 maintain such account in the fund until the pupil is
21 twenty-five years of age. Following graduation from
22 high school until the pupil is twenty-five years of
23 age, moneys in the pupil's account may be used for
24 higher education costs, as defined in section 12D.1,
25 subsection 2, incurred by the pupil while attending an
26 institution of higher education under the control of
27 the state board of regents, a community college located
28 in this state, or a private college or university
29 located in this state. Payments from a pupil's account
30 for higher education costs shall be made in the same
31 manner as payments for qualified educational expenses
32 under subsection 5. Moneys in a pupil's account
33 when the pupil turns twenty-five years of age shall
34 be transferred by the department for deposit in the
35 general fund of the state.

36 9. This section shall not be construed to authorize
37 this state or any political subdivision of this state
38 to exercise authority over any nonpublic school or
39 pupil receiving competent private instruction under
40 chapter 299A or construed to require a nonpublic school
41 to modify its admissions or educational program in
42 order to receive payment from a parent or guardian
43 using funds from a pupil's account in the education
44 savings grant fund. A nonpublic school or entity
45 providing competent private instruction under chapter
46 299A, that accepts payment from a parent or guardian
47 using funds from a pupil's account in the education
48 savings grant fund is not an agent of this state or
49 other political subdivision of this state. Rules
50 adopted by the department to implement this section

1 that impose an undue burden on a nonpublic school or
2 entity providing competent private instruction under
3 chapter 299A are invalid.

4 Sec. _____. APPLICABILITY. This division of this
5 Act applies to school budget years and fiscal years
6 beginning on or after July 1, 2014.>

7 2. By renumbering as necessary.

JERRY BEHN